

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRIDGE 00750 261718Z

73

ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-11 INR-10 LAB-06

NSAE-00 RSC-01 SIL-01 AGR-20 SWF-02 AID-20 EUR-25

PA-04 PRS-01 USIA-15 DRC-01 /138 W

----- 077130

R 251853Z APR 74

FM AMEMBASSY BRIDGETOWN

TO SECSTATE WASHDC 7095

INFO AMEMBASSY GEORGETOWN

AMEMBASSY KINGSTON

AMEMBASSY PORT OF SPAIN

COMCARIBSEAFRON

CINCLANT

LIMITED OFFICIAL USE BRIDGETOWN 0750

E.O. 11652: N/A

TAGS: ELAB BB

SUBJ: WAGE NEGOTIATIONS IN BARBADOS SUGAR INDUSTRY

CINCLANT FOR POLAD

1. BARBADOS WORKERS' UNION (BWU) AND BARBADOS SUGAR PRODUCERS' ASSOCIATION (SPA) OPENED NEGOTIATIONS APRIL 22 ON NEW WAGE CONTRACT FOR ESTIMATED 10,000 WORKERS IN SUGAR INDUSTRY. UNDER CURRENT CONTRACT NEGOTIATIONS NOT REQUIRED UNTIL OCTOBER, BUT BWU REQUESTED NEGOTIATIONS IN MARCH SO WORKERS COULD BENEFIT FROM HIGHER SUGAR PRICES OFFERED BY UK AND RECEIVED FROM SALES TO U.S. MARKET. BSPA HAD EARLIER PROPOSED THAT WORKERS RECEIVE THEIR PORTION OF INCREASE IN FORM OF BONUS TO BE PAID AT END OF HARVEST, ARGUING THAT NOT UNTIL THEN WOULD PRODUCERS KNOW EXACT MAGNITUDE OF INCREASE. AT MEETING APRIL 13, WORKERS REJECTED BSPA PROPOSAL AND INSTRUCTED BWU TO REQUEST IMMEDIATE NEGOTIATIONS. IN SO DOING, BWU GENSEC FRANK WALCOTT ARGUED IT WAS UNFAIR TO ASK WORKERS TO WAIT WHILE CONSUMER PRICES CONTINUED TO CLIMB.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRIDGE 00750 261718Z

2. TALKS OPENED AMID REPORTS OF WILDCAT STRIKES BY SOME SUGAR WORKERS AFFECTING OPERATIONS AT THREE FACTORIES. WALCOTT CLAIMED NO KNOWLEDGE OF STRIKES, WHICH HE SUGGESTED MAY HAVE RESULTED FROM MISUNDERSTANDING OF BWU'S POSITION, AND AGREED TO INSTRUCT WORKERS OF UNION'S POLICY AGAINST STRIKING WHILE NEGOTIATIONS STILL IN PROGRESS. BSPA DIRECTOR ERSKINE WARD CITED REPORTS INDICATING WILDCAT STRIKES INSTIGATED BY MEMBER OF LARGE CONTINGENT OF VINCENTIAN WORKERS HIRED TO ASSIST WITH REAPING.

3. BWU CLAIMS SOME CATEGORIES OF SUGAR WORKERS RECEIVING 50 PERCENT LESS THAN WORKERS IN COMPARABLE JOBS AND SEEKING INCREASES WHICH COULD AVERAGE 60 PERCENT FOR CANE CUTTERS, EQUIPMENT OPERATORS AND FACTORY WORKERS. FOLLOWING OPENING SESSION NEGOTIATIONS, ATMOSPHERE AT WHICH HE DESCRIBED AS CORDIAL, WALCOTT SAID HE DID NOT EXPECT WORKERS TO GET ALL THEY WANT BUT NEVERTHELESS BELIEVED UNION WOULD GET GOOD AGREEMENT. BSPA DIRECTOR WARD IMPLIED THAT BWU'S DEMANDS UNREASONABLE WHEN HE TOLD PRESS THAT BWU'S PROPOSED WAGE INCREASES REPRESENTED 85 PERCENT OF PRICE INCREASE OFFERED BY UK.

4. IN MARCH BRITAIN, RESPONDING TO PRESSURES FROM CARIBBEAN PRODUCERS AND GOVERNMENTS FOR PRICE MORE CONSISTENT WITH PRODUCTION COSTS AND WORLD MARKET PRICES, GRANTED INCREASE OF POUNDS 22 OVER PREVIOUS AGREED PRICE OF POUNDS 61 PER TON. PM ERROL BARROW IN PRESENTING GOB 1974 BUDGET SUBSEQUENTLY PROPOSED 200 PERCENT INCREASE IN SUGAR TAX FROM BB \$13.20 TO BB\$40.00 PER TON, WHICH REPRESENTS MORE THAN 20 PERCENT OF INCREASED PRICE OFFERED BY UK. BWU HAS SINCE CRITICIZED GOB FOR TAKING ITS TAX "OFF THE TOP," LEAVING PRODUCERS AND WORKERS TO ARGUE OVER HOW REMAINDER SHOULD BE DIVIDED. IN ADDITION, BARBADOS SUGAR INDUSTRY WILL BENEFIT FROM SUBSTANTIALLY HIGHER PRICE FOR THAT PORTION OF CURRENT CROP SOLD TO U.S. MARKET.

5. COMMENT: SUGAR INDUSTRY IS FIRST MAJOR SECTOR TO EXPERIENCE WAGE NEGOTIATIONS SINCE SETTLEMENT OF ACRIMONIOUS FOUR-DAY HOTEL STRIKE IN JANUARY, MEMORIES OF WHICH STILL FRESH IN MINDS OF BARBADIAN PUBLIC. LEGACY OF COLONIALISM AND SLAVERY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BRIDGE 00750 261718Z

FALLS HEAVILY ON SUGAR INDUSTRY, AND RELATIONS BETWEEN SUGAR PRODUCERS AND WORKERS HAVE GENERALLY BEEN CHARACTERIZED BY MORE BITTERNESS THAN THOSE OF HOTEL INDUSTRY, WHERE PRIOR TO RECENT STRIKE MANY MANAGERS HAD PRIDED THEMSELVES ON WHAT THEY THOUGHT WERE GOOD EMPLOYEE-MANAGEMENT RELATIONS. GIVEN SUGAR WORKERS' RESENTMENT OVER THEIR RELATIVELY LOW SOCIO-ECONOMIC STATUS, BOTH PERCEIVED AND ACTUAL, AND BWU'S STATED COMMITMENT TO SUBSTANTIAL WAGE INCREASES, CURRENT NEGOTIATIONS

COULD PROVE TROUBLESOME. THOUGH ESTIMATED TWO-THIRDS OF
CURRENT CROP ALREADY HARVESTED, STRIKE COULD STILL HAVE SERIOUS
IMPACT ON INDUSTRY AND ON BARBADOS' NEEDED FOREIGN EXCHANGE
EARNINGS. WALCOTT AND OTHER BWU OFFICIALS CLAIM THAT UNION
LOST CONTROL OF WORKERS DURING HOTEL STRIKE (THOUGH ONE MIGHT
ARGUE THAT SOME OF WALCOTT'S STATEMENTS DURING EARLY STAGES
OF HOTEL NEGOTIATIONS SEEMED SOMEWHAT INFLAMMATORY AND MAY
HAVE CONTRIBUTED TO LATER DEVELOPMENTS). POSSIBILITY OF SIMILAR
SITUATION ARISING DURING CURRENT NEGOTIATIONS IS ONE WHICH
NO ONE RELISHES AND ALL HOPEFULLY WILL WORK TO AVOID.
DONOVAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, INDUSTRY, COLLECTIVE BARGAINING, WAGES, SUGAR WORKERS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BRIDGE00750
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740100-0090
From: BRIDGETOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740416/aaaaanft.tel
Line Count: 126
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 06 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 SEP 2002 by WorrelSW>; APPROVED <06 FEB 2003 by GolinoFR>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: WAGE NEGOTIATIONS IN BARBADOS SUGAR INDUSTRY CINCLANT FOR POLAD
TAGS: ELAB, BB, BWU, SPA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005